



# NEWS TO USE

A newsletter for PERSI employers

October 2004

- RS-109, when required
- RS-110, not often required
- RS-132, tips

## RS-109 Notice of Separation may or may not be needed depending on the circumstances

In many cases, you no longer need to submit an RS-109 Notice of Separation when an employee terminates because we are notified of the separation via your electronic transmittal. However, there are three circumstances in which we do need the RS-109 so that we may expedite member payments:

- Retirements—the form has information needed to place a retiree on our payroll.
- Account Withdrawals—if a member wants to immediately withdraw their PERSI Base Plan funds, we need to verify with you that they have terminated. Otherwise we might not know about the termination until your next transmittal, delaying payment up to a month. If we fax you a 109, the member has requested a payment before the separation has shown up on your transmittal. If you do receive a fax, we and your ex-employee would appreciate your help. If you do fax in the form, you do not need to mail it also, as the faxed version is sufficient.
- Deaths—if you lose an employee to death, we would like to pay beneficiaries as quickly as possible. Timely notification from you via a 109 will expedite our death benefit payments.

### Completing the RS-132 Certification of Employment of a Retired Member

The RS-132 Certification of Employment of a Retired Member is used when you hire or rehire an individual who is collecting PERSI retirement benefits. The RS-132 should be submitted before the person begins working.

Often, you will know the employee is retired, because they are returning to work from your own organization.

If you don't know the employee's PERSI status, please ask the person if they are receiving PERSI benefits, or you may look on their RS-102 Membership Application. On the RS-102, near the top, is a question

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### RS-110 Name and Address Change forms not required if you change them on your transmittal report

You do not need to send hard copies of the RS-110 Name and Address Change form to PERSI for address changes for active members as long as you make the changes on your electronic or PETRA transmittal reports.

We receive quite a few of these forms, and when we go to enter them, our files have already been updated by you.

PERSI only needs Name and Address Change forms if the member is inactive or retired or if you are a paper reporter. And, if you do fax in the form, you do not need to mail it also, as the faxed version is sufficient.

Revised forms that now clarify this are available at [www.persi.state.id.us/html/forms.htm](http://www.persi.state.id.us/html/forms.htm).

## How to complete an RS-132 continued from front

that asks specifically if the person is currently receiving a monthly retirement benefit from PERSI. (To be receiving PERSI benefits, they would need to be at least 50 years old.)

If they are not receiving PERSI benefits, the employee may work for you as many hours as they wish. If they are a PERSI retiree, they may not work more than 20 hours per week or for more than five consecutive months if they wish to continue receiving pension benefits.

If the employee retires from your organization and then returns to work for more than 20 hours per week, there must be a break of at least 90 days between employment.

There can also be no 'promise' of employment made when the employee retires. According to IRS code, means that there is no break in employment, and so pension payments cannot begin.

Important items on the RS-132:

1. Social Security Number—check this to ensure it matches the employee's Social Security card and your transmittal report.
2. Effective date - this is the date the employee will begin working.
3. Employment of a Retired Member who is an Employee under Idaho Code - check this box if the employee will be working 20 hours or more per week (teachers working 1/2 time or more) for five consecutive months or more. If the employee does meet these requirements, their monthly retirement payments will cease, and both the employee and employer must pay contributions to PERSI beginning with the date of employment. The employee must pay back all benefit payments received after the reemployment date. Once employment ends, contributions stop and the member may again receive pension benefits. If the period of reemployment ends up being less than five months, PERSI will return contributions to the member and employer, and the member will receive retroactive benefit payments covering the reemployment period.
4. Employment of a Retired Member who is not an Employee under Idaho Code - check this box if the employee will be working less than 20 hours per week or less than five consecutive months. In this situation, no contributions are required and the employee will continue to receive monthly pension payments.
5. Signature and Title of Certifying Authority and Employee Signature

When a retired member returns to part-time work after a 90-day break in service, the member can choose one of two working arrangements and continue to receive retirement benefits. The member can work less than 20 hours/week with no limitation on the number of months, or the member can work more than 20 hours/week for no more than five consecutive months. If a member starts under one of these part-time arrangements and wants to switch to the other, you must submit a new RS-132 and include the member's termination date from the first part-time arrangement on the bottom of the form in the "Explanatory Notes" section. They must be terminated and have a 30 day break in service to avoid reaching eligibility and losing their retirement benefit. If you do not include the termination date, our records may show conflicting termination dates and cause an interruption to the retired member's benefit.